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TAGS: [PREL](#) [PARM](#) [KNNP](#) [ETTC](#) [TRGY](#) [IN](#)  
SUBJECT: AMBASSADOR PRESSES NSA NARAYANAN ON CIV-NUKE  
IMPLEMENTATION

REF: STATE 94757

Classified By: Ambassador Tim Roemer. Reason: 1.4 (b and d).

¶1. (C) Summary. During a lengthy September 22 meeting with Indian National Security Advisor MK Narayanan, the Ambassador pushed for rapid GOI action to implement several key provisions of the 123 Civil-Nuclear Agreement in advance of Prime Minister Singh's November 24 state visit to the U.S. Narayanan affirmed the GOI's intent to introduce nuclear liability insurance in the winter parliamentary session that begins in November, and took on board U.S. concerns about India's compliance with a Department of Energy licensing regulation. Almost in passing, Narayanan mentioned that India had submitted its long-sought safeguarded facilities declaration to the IAEA. He said that the focus of his October 26-28 trip to Washington would be preparation for the PM Singh state visit, and that he hoped to meet with NSA Jones and other senior USG officials (for example, he has asked to meet with Secretaries Clinton, Gates, and Napolitano). He shrugged off recent sensationalist Indian media reports of brewing India-China tensions, instead characterizing the current state of relations with Beijing as "fairly good." He added, however, that he wishes to continue a 2007 discussion he began with Secretary Gates about "containing" China. End Summary.

Urging Speedy Action on 123 Implementation  
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¶2. (C) The Ambassador opened the 75-minute meeting by urging speedy GOI action to implement key provisions of the 123 Agreement. Such action includes providing the IAEA with a declaration of safeguarded facilities; parliamentary passage of liability legislation; a public announcement by the GOI of two reactor park sites for U.S. firms in Gujarat and Andhra Pradesh; and providing so-called "Part 810" Department of Energy license assurances. The Ambassador stressed the importance of completing these measures prior to PM Singh's state visit in late November. Regarding the IAEA declaration, Narayanan claimed that India had already taken necessary action last week (Note: U.S. Mission Vienna

confirmed to us after the Narayanan meeting that India had in fact provided a facilities declaration to the IAEA. We are reviewing the declaration for its consistency with the GOI's prior commitments. End Note). On liability legislation, Narayanan stated that he was "breaking heads even on holidays" to ensure that a bill would be introduced and enacted during the upcoming parliamentary session. However, he noted that parliament would not re-convene until late November - about the time of the PM's visit - and predicted that the bill would not be passed until December. He offered only a non-committal response to the Ambassador's suggestion that parliament be re-convened earlier than scheduled, and he asked the USG to not "make a mountain out of a molehill" of this issue because bill passage is not in question. He also minimized the urgency of speedy action on the grounds that the liability issue would not arise until after the reactors were completed. In reply, the Ambassador pointed out that U.S. firms would not even begin work on such reactors until liability legislation had been enacted.

13. (C) Narayanan told the Ambassador that India's cabinet had already approved the two reactor park sites for U.S. firms. Stating that the GOI had no plans to make a public announcement to this effect, Narayanan said that the GOI would not object to a USG announcement. He appeared unmoved by the Ambassador's insistence on an early public GOI announcement. With regard to the "Part 810" license assurances, the Ambassador explained that such assurances are a routine part of commercial transactions involving

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American nuclear energy firms, and provided copies of Part 810 assurances signed by the UK, Germany, and China as examples. Narayanan accepted the documents with a pledge that he and his staff would study them carefully. During the course of discussion, Narayanan twice made half-joking but tart references to what he perceived as USG "suspicions" about the GOI's intent to implement its 123 Agreement obligations. The Ambassador explained that we had no such suspicions, just a keen interest in moving forward on implementation details in advance of the POTUS-PM Singh meeting.

Narayanan's October Visit Will Prepare for November PM Visit

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14. (C) Narayanan said that the focus of his October 26-28 trip to Washington would be preparation for the PM Singh state visit in November. He stated that the GOI's expectation of the PM visit outcome would be an affirmation that U.S.-Indian relations have never been closer (or, as Narayanan put, "to show that the relationship is like it was with President Bush except even better"). After he and the Ambassador reviewed the various themes of our broad bilateral relationship that could be highlighted during the Singh visit, Narayanan observed that the two sides should identify a "common DNA strand" that ties together the message that we wish to project.

15. (C) Ambassador Roemer mentioned several specific ideas to the NSA, including a QGreen Technology Q Green RevolutionQ proposal and a counterterrorism MOU. Regarding his October visit, Narayanan noted that he looks forward to meeting with NSA Jones and other senior USG officials. For example, he wishes to meet Secretaries Clinton, Gates, and Napolitano (Post will send a comprehensive list of Narayanan's proposed interlocutors to SCA by email). The Ambassador pledged to help facilitate some of these meetings. A career intelligence officer, Narayanan said with a wry grin that he also looks forward to meeting "fellow spooks" during his visit.

India-China Relations: Better than Media Reports Say

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16. (C) Remarking on a recent deluge of breathless Indian media reports of growing tension between India and China, the Ambassador asked Narayanan for his assessment of the current state of Indian-Chinese relations. Narayanan responded that, while Chinese border incursions continue to occur (facilitated in a large measure by China's improved roads in the mountainous border region), the number of incursions has not increased to worrisome levels. Noting that he and his Chinese counterpart had recently had good discussions, he characterized bilateral relations as "fairly good," though India still has concerns about China's high military spending. Narayanan said that India wants to maintain a regular dialogue with China so as to avoid a repeat of the 1962 India-China war that was caused, according to Narayanan, by a series of "misunderstandings and accidents." He remarked that he wishes to continue a discussion he began in 2007 with Secretary Gates about India's efforts to "contain" China, adding half-jokingly that it might not be possible to have such a discussion now since the U.S. and China have since become "big buddies." The Ambassador replied that we should look at such a discussion in a more positive context as part of the efforts of two great democratic nations to pursue common strategic interests. To close the meeting, the Ambassador asked Narayanan to use his influence with Tehran to effect the release of six U.S. citizens from unlawful Iranian government detention (reftel). Narayanan replied that he would consider our request.

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